



IRISH LIFE WEEKLY INVESTMENT BULLETIN

The week that was – WEEK 18 (ending 29/04/2016)

" Leave the beaten track behind occasionally and dive into the woods." – Alexander Graham Bell

Irish property prices up by 7.4% in 12 months to March – Latest figures published by the Central Statistics Office show residential property prices rose nationally by 7.4% in the year to March 2016. Property prices outside the capital fared particularly well with a 10.5% rise while Dublin prices rose by 3.9% in the 12 months.

Euro zone growth in Q1 fastest in 5 years – Eurostat reported that Euro area GDP strengthened to 0.6% in the first quarter of 2016, double the previous quarter and beating the most optimistic expectations. In March unemployment fell to 10.2%. In contrast, the U.S. economy grew 0.5% and Britain 0.4% during the quarter.

Global stock market down 1.4% during the week – Markets moved lower during the week, reducing the recent gains with the Japanese stock market suffering the largest fall of the main markets. The MSCI World Index was down 1.4% from 25th to 29th April in local currency terms, with the Nikkei 225 down 4.4%.

Fed keeps U.S. rates unchanged but more optimistic on economy – The Federal Reserve's policy interest rate target was left unchanged at 0.25% to 0.5% as expected. The U.S. central bank expressed confidence in the U.S. economic outlook and labour market, so leaving the door potentially open to interest rate rises later.

BOJ disappoints with no extra stimulus – Bank of Japan Governor Haruhiko Kuroda held off from expanding monetary stimulus, defying market expectations for action. Kuroda defended the decision to keep policy unchanged, saying that they need to spend some time studying the effect of its past easing steps.

Crude oil prices hit 2016 high – Crude oil prices reached their highest level of 2016, with U.S. crude futures at \$46.78 during the week. The rise was attributed to new data showing an increase in demand for gasoline and U.S. inventories fell by 1.1 million barrels rather than growing by 2.4 million barrels as analysts expected.

The Story of the week: A group of Chinese fishermen were understandably shocked when they hauled in a bizarre creature that looked like a cross between a crocodile and a dolphin or 'Crocodolphin' as it was quickly dubbed. Marine experts however confirmed it was actually a type of 'beaked whale' which normally hangs out close to the ocean floor.

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Index Performances and Market Data*

Equity Markets % (in Local Currency)	2011	2012	2013	2014	2015	2016 YTD (to 29/04)
ISEQ Overall Return	2.6	20.5	35.8	16.8	33.6	-8.4
FTSE 100 TR	-2.2	10.0	18.7	0.7	-1.3	1.5
Euro Stoxx 50 TR	-14.1	18.1	21.5	4.0	6.4	-6.6
S&P 500 TR	2.1	16.0	32.4	13.7	1.4	1.7
Nasdaq Composite	-1.8	15.9	38.3	13.4	5.7	-4.6
Nikkei 225	-17.3	22.9	56.7	7.1	9.1	-12.4
MSCI Emerging Markets	-14.9	13.9	0.9	2.6	-8.0	2.2
MSCI World	-7.6	13.1	26.2	7.7	0.2	-1.8
Sovereign 10yr Bond Yields (%)	2011	2012	2013	2014	2015	2016 YTD
U.S.	1.9	1.7	3.0	2.2	2.2	1.8
German	1.8	1.4	1.9	0.5	0.6	0.3
UK	2.0	1.9	3.0	1.9	1.9	1.6
Japan	1.0	0.7	0.7	0.3	0.2	-0.1
Ireland	8.4	4.5	3.4	1.3	1.1	1.0
Italy	7.1	4.6	4.1	2.1	1.6	1.5
Greece	31.7	12.7	8.2	9.6	7.9	8.3
Portugal	13.4	6.9	6.1	2.7	2.5	3.1
Spain	5.1	5.4	4.1	1.6	1.7	1.6
Central Bank Rates (%)	2011	2012	2013	2014	2015	2016 YTD
ECB	1	0.75	0.25	0.05	0.05	0.0
Bank of England	0.5	0.5	0.25	0.50	0.50	0.50
U.S. Federal Reserve	0.25	0.25	0.25	0.25	0.50	0.50
Foreign Exchange Rates	2011	2012	2013	2014	2015	2016 YTD
Euro/Dollar (€/\$)	1.30	1.31	1.37	1.21	1.09	1.16
Euro/Sterling (€/£)	0.83	0.81	0.83	0.78	0.75	0.79
Sterling/Dollar (£/\$)	1.55	1.61	1.65	1.56	1.46	1.47
IPD All Property Return (%)	2010	2011	2012	2013	2014	2015
Ireland	-2.4	-2.4	3.1	12.7	40.1	25.0 (to end of Q4)
U.K.	14.5	8.1	2.7	10.7	17.8	13.1 (to end of Q4)
U.S.	14.8	14.5	5.3	11.4	11.2	12.1 (to end of Q4)

*Past performance is not a reliable guide to future performance